

In The Claims:

Please cancel claim 1 without prejudice or disclaimer to the subject matter contained therein. Please substitute amended claims 2, 6, 8 and 10 for pending claims 2, 6, 8 and 10 as follows:

A2 12. A method for compacting a diffuse gray edge, comprising the steps of: identifying an observation window within continuous tone image data, said observation window including a target pixel; determining if said target pixel is within a diffuse horizontal edge; and compacting horizontal features within said observation window, wherein said step of compacting horizontal features comprises shifting gray from a first pixel (A) that is not adjacent to a saturated pixel to a second pixel (B) that is adjacent to a saturated pixel; and updating a pixel value in response to said shifting step.

A3 5. A method for compacting a diffuse gray edge, comprising the steps of: identifying an observation window within continuous tone image data, said observation window including a target pixel; and compacting vertical features within said observation window, wherein said step of compacting vertical features comprises determining if said target pixel is within a diffuse vertical edge, shifting gray from a first pixel (A) that is not adjacent to a saturated pixel to a second pixel (B) that is adjacent to a saturated pixel, and updating a pixel value in response to said shifting step.

7 8. A method for compacting a diffuse gray edge, comprising the steps of:
identifying an observation window within continuous tone image data, said
observation window including a target pixel;
compacting horizontal features within said observation window;
compacting vertical features within said observation window; and
compacting corner features within said observation window, wherein:
said step of compacting horizontal features modifies said target pixel
and a first pixel adjacent said target pixel by shifting gray between
said target pixel and said first pixel when said target pixel is within a
diffuse horizontal edge,
said step of compacting vertical features modifies said target pixel and
a second pixel adjacent said target pixel by shifting gray between
said target pixel and said second pixel when said target pixel is
within a diffuse vertical edge, and
said step of compacting corner features modifies a pixel within said
compaction window when said target pixel is within a diffuse
corner.

9 10. A method for compacting a diffuse gray edge, comprising the steps of:
identifying an observation window within continuous tone image data, said
observation window including a target pixel;
determining if said target pixel is within a diffuse corner;
shifting gray from a first pixel (A) that is not adjacent to a saturated pixel to
a second pixel (B) that is adjacent to a saturated pixel; and
updating a pixel value in response to said shifting step.

Please add a new claim 21 as follows:

2021. The method of claim 17, wherein said step of compacting gray pixels within said diffuse gray edge comprises:

Ab shifting gray from a first pixel that is not adjacent to a saturated pixel to a second pixel that is adjacent to a saturated pixel, and updating a pixel value in response to said shifting step.